February 01, 2025

To

National Stock Exchange of India Limited	**BSE Limited**
Exchange Plaza, 5th Floor,	**Department of Corporate Services/ Listing**
Plot No. C/1, G Block,	**Phiroze Jeejeebhoy Towers,**
Bandra-Kurla Complex,	**Dalal Street, Fort,**
Bandra (East), Mumbai – 400051	**Mumbai – 400001**
SYMBOL: POLICYBZR	**SCRIP CODE: 543390**

Sub: Transcript of the Earnings Call conducted on January 30, 2025

Dear Sir

In furtherance to our earlier communication dated January 17, 2025, January 30, 2025 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Transcript of the Earnings Call conducted on January 30, 2025.

The transcript of Earnings Call is also available on the website of the Company at https://www.pbfintech.in/investor-relations/.

You are requested to kindly take the same in your records.

Yours Sincerely,
For PB Fintech Limited

BHASKER JOSHI
Digitally signed by BHASKER JOSHI
Date: 2025.02.01 12:48:20 +05'30'

Bhasker Joshi
Company Secretary and Compliance Officer

Encl.: A/a

PB FINTECH LIMITED

Q3 FY2024-25

Earnings Call

January 30, 2025

Management: A very warm welcome to PB Fintech Limited earnings call Q3 FY 24-25. Today we have with us

- Mr. Yashish Dahiya, Chairman & CEO, PB Fintech
- Mr. Alok Bansal, Executive Vice Chairman, PB Fintech
- Mr. Sarbvir Singh, Joint Group CEO, PB Fintech
- Mr. Naveen Kukreja, Co-founder & CEO, Paisabazaar
- Mr. Mandeep Mehta, Group CFO, PB Fintech, and
- Ms Rasleen Kaur, Head, Strategy & Investor Relations, PB Fintech.

Management: I now request Yashish to make the introductory address

Management: As we share our performance update for the Quarter ended Dec 31, 2024 we are very pleased that our health and life insurance business, which are, as I always say, the bulk of our long term value, witnessed a combined growth of 47% year on year in new premium for Q3. In this health is just shy of 60%. And I think if I was just giving you a color for the quarter, our savings business grew a tad slower than we anticipated, and thus we had built up our capacity, expecting a higher growth in savings. But that did not happen. So just to take away the thing. Health grew really well, term grew quite well, and savings were a little slower, and the other the good news is motor, and two-wheeler actually came back. And so, it's a pretty balanced growth this time across the board. Our total insurance premium for the quarter was ₹6,135 Cr, up 44% YoY. Core insurance premium grew 42% in Q3, with the core insurance revenue growing, 45%. Credit linked revenue was ₹119 Cr for the quarter. New initiatives grew at 87%. And now are at a 3% positive contribution margin.

Overall, our revenue for Q3 grew 48%. I wanted to signal here that phase where our premium growth was higher than our revenue growth is hopefully behind us, because that was because we were moving from the traditional products to the products of the saving side. That part seems to be now behind us we are. It's been more than a year of that change.

So, the revenue has grown at 48% to ₹1,292 Cr, and the PAT grew 92% to ₹72 Cr. Our trail revenue is now at an ARR of ₹665 Cr, up from ₹454 Cr last year. And just to complete that story, this same number was 287 Cr exactly 2 years ago. So, what that means is much more than doubling every 2 years. As we all know, this is a key driver for our long-term profit growth. So, this is quite secure. We continue to improve our customer onboarding and claims support services. And the insurance CSAT is now for the 1st time above 90% and 90.2% up from last quarter.

The credit business has been down. It's about 20% down YoY, and this is actually the 1st quarter where we've seen a significant reduction compared to the previous. So, it's even on quarter and quarter. It's about 13% down. In terms of disbursals, in the online side of the business, however, the good news there is – secured is building up very fast. Secured is now much bigger than unsecured in terms of total disbursals. It's about 1.4 times now. So that's clearly taken over. Of course, it has materially less revenue per disbursal. And the good news is that the secure business was just started in Q2. So, it's just been a 6-month-old business. So, it's a very rapid growth and all organic. This is now in the new initiatives, and showing a disbursal of ₹2,570 Cr. So, this is largely secured business, which is now at almost ₹1,000 Cr a month and ₹ 24 Cr revenue for the quarter, so that part is acting as a filler. The core credit business continues to be adjusted EBITDA positive. However, I must say, in this year, we will face about a ₹40 Cr negative delta on the Paisabazaar side. However, that should be taken care of by some incremental EBITDA coming from the other parts of the business.

We continue to strengthen our leadership in new initiatives with the revenue growth of 87%, as I said, and adjusted EBITDA margin moving from minus 13% to minus 7%, with a 3% contribution. PB Partners continues to lead, which is our agent aggregator platform. Today it has 270,000 advisors. Last quarter was 250,000 advisors. So, in the in the last one quarter, we've added another 20,000 advisors. We have moved the business increasingly towards smaller and higher quality advisors, more diversified across different lines of business and present in 18.9k PIN codes covering 99% of the PIN codes in India.

Our UAE insurance premium has grown at 58% YoY and is now aligning more and more towards health and life similar to our India business.

Our core health and life insurance businesses are growing ahead of expectations. In anticipation of the steady growth, we continue to invest in operational capacity as well as brand awareness campaigns.

Happy to take questions.

Management: Thank you Yashish. We'll take the first question from Sachin Dixit, JM Financial. Sachin, please unmute yourself.

Sachin Dixit: Hi Yashish and team! Hope you can hear me. Congrats again for delivering a good growth quarter. My first question was with regards to profitability. So, while obviously revenue continues to ramp up, the jump in sequential path seems a bit muted. What is driving this? Is this just Paisabazaar related impact, or there is more to it, in terms of contribution effect. Sorry I have not been able to go through the presentation, so the question might be a bit naive.

Management: No, it's not your fault. It's our fault, because the presentation just got uploaded some time ago. No problem. So yes, as I mentioned earlier last year, if I look now at our credit P&L, it was about ₹40 Cr better than this year. So yes, there is an impact that's coming from there. The other part, as I mentioned at the opening of my speech, was we anticipated a certain growth and that growth delivered in Health, it delivered in Term, but we fell short of that growth rate on the Savings business, and that's partly reflective of the insurance market; of the market cycle that's going on. Because most of what we're selling is ULIPs, which are market related, so they are, in a way, the same alignment as mutual funds. So that did get impacted. If you remember the last call, I said, yes, we have invested in anticipation of growth. That growth did not really come in the Savings side. So, we were left with some additional operating capacity, which I think, as we get towards through the next quarter, we are aligning also. Our overall growth is at 44%. But the Health growth, as I said, is about 15% higher and that continues to hit. Even our Health renewal growth is at 46% or so. Whereas the new business is growing faster, fresh health business comes at 0% margin. And that's obvious. In fact, a little bit of loss actually. So that continues to hurt us. Obviously, that doesn't hurt us from an NPV perspective. And we should also always look at the NPV. But from medium term it does. And so, till we stay in this cycle, where new business is outperforming, and especially new business of health is outperforming, that stress will stay. But it's a good stress to have, not a bad stress. However, on the saving side, I think we made the right call because we saw a lot of growth in September, October. That growth did not translate in December.

Management: I just wanted to add: So, the seasonality this year has been a little bit typical in the sense that September was a very big month, and then October, because of Diwali, we expected it to be where it was. We thought November and December again would be very big months, but I think there was general slowdown in some kind of consumer demand also. So, it took a lot to get this growth and that's what you are seeing. But I just want to again say that if we can grow at these rates, we cannot prioritize three-month profitability.

Sachin Dixit: Just a quick follow up on the Savings piece. The markets, obviously, January has started very badly, and who knows how it's going ahead. So, Savings could continue to be a laggard. So, are you building accordingly or you still believe that other segments will take care of the investments that you've already done?

Management: See when we say slow growth, do appreciate, it was still north of 30 for the quarter, and even for the month. Well, it was quite okay. And even in January we are seeing quite okay. So, it's not like we are where the rest of the industry is. We are definitely ahead but it is just obvious we can't be not impacted by the cycles.

Sachin Dixit: Got it. On my second question quickly - An update on the Healthcare foray? If you have anything in place, we'll love a good update?

Management: That is the same as last time. I was authorized by the Board about 45 days ago to have negotiations with the multiple parties in trying to get investors on board. We are in deep negotiations with the investors. We are in a position to announce something in about 30 days or so, I hope. That's the best, I know. Multiple negotiations of SSAs have happened and at some point, we'll reach closure. Investors have been identified, of course, because that's why we're at that stage.

Sachin Dixit: Understood. Thanks a lot for the update and all the best.

Management: Thank you, Sachin. We'll take the next question from Jayant Kharote from Jefferies. Jayant, please unmute yourself.

Jayant Kharote: Thanks for the opportunity. First one is on the margin Yashish. While I understand that Savings is falling a bit short, if you could just sort of touch upon your long-term guidance of 50-55% on the contribution margin. Should we still continue to expect that over the next 2-3 years, or is there any revisit on that? Then I'll come back with the second question.

Management: I think as you look at longer term, 2-3 pieces have to play out, and strategically, nothing has changed. Strategically, the renewals part, which is the NPV, is a great driver of profitability, and eventually, both in Health and Life, that does contribute, and even in Motor, it does contribute. I guess we are still a very early-stage business. If your fresh business is growing at the rates that we are growing, we are still quite early. I guess as time evolves, that's the first part that plays out. The second part that has to play out - we have for the last 12-18 months decidedly been pushing the pedal in terms of operating spends and cost of acquisition spends, etc. It is the right thing to do, because for us, if we had 5% higher growth, that is better than having 5% higher profitability at this stage, because that's the stage we are at and we know which side of the coin we need to back on. As we get to a more mature phase, clearly that part would also shift. I haven't actually thought of the exact numbers, but I don't think one should rule out a much higher contribution margin than today, and I don't think a 10% delta from where we are is out of imagination in any way. Obviously, efficiency, etc, would also come in. We are also doing a lot of work on AI, on Product development, etc. Let me explain - the kind of things that we're doing right on the Garage network, we are able to have opened 100 different garage networks with our partners, and what that does is allows us to give better service to our customers, and that's again, part of the reasons why our Motor business has started to grow again. One of the reasons, as we do these, hopefully, our sales also become easier. So, these are all linked activities, and all of these should drive further and further efficiency. But I would say, in the last 3 years we've been in a phase of high investment, in capabilities that would enhance future sales.

Jayant Kharote: Understood Yashish. So, the second question is on the POSP business. This 3% contribution margin looks impressive. Is this the Dubai and the Corporate business, or this is largely the POSP piece? And if we can sort of expect this number to stabilize and move up from here to the sort of 5-7% range that you had at some point entered to?

Management: So, in our new initiatives, nothing swings the needle like the POSP. So, it's largely POSP. But I think the key thing there is, POSP is a low margin activity, and then it depends upon if are you dealing with really small individual agents or are you dealing with people who are slightly larger agents. With larger agents, you don't have negotiation ability. They are essentially auctioneers of business with smaller agents, and they tend to be more of your partners. Thus, you make better margins when you deal with smaller, but when you deal with smaller agents, you have to also deploy your own sales team, your own relationship team, etc. So, I think, 5% is certainly not out of reach. I hope we do better than that. Let's see how that market evolves.

Jayant Kharote: We should hold on to this 3%+?

Management: I don't want to comment on that. You do realize that is a competitive area, and we will always be counter-cyclical. We want to hold our cards close to our chest, and we don't give short-term or mid-term guidance on that.

Management: By the way, now even Paisabazaar's PB Connect is also included in that and Dubai is a contributor as well. Of course everybody is a contributor, but now the new initiative is four things - Paisabazaar's PB Connect, Policybazaar's PB Partners, UAE business, and the Corporate business. So, all four are there. But I don't want to tie our hands in any way, shape or form in the POSP business. It's a competitive arena, and we will stay competitive, and we will be somewhat counter cyclical. I think that's the only guidance one can take away.

Jayant Kharote: Perfect and congratulations for a great set of numbers.

Management: Thank you, Jayant. We'll take the next question from Ankush, Surge Capital. Ankush, request you to please unmute yourself.

Ankush Agrawal: Yes. Am I audible?

Management: Yes.

Ankush Agrawal: Yes, just to clarity. If you clarified the secured business is now part of new initiative, and it's not considered the core business, right?

Management: No, the secured has two parts to it. One is what we sell as a marketplace on our platform, which is Paisabazaar, and the second is what essentially is a platform in a way, like a consolidation platform like POSP. Basically, it's the same as PB Partners. So, we have both sides of the secured, and the number I gave you was secured was a total number on the offline side.

Ankush Agrawal: Okay, got it

Management: Main business will be in the Core. The PB Connect is, of course, larger in terms of disbursals. About 3/4th is PB Connect, the POSP business of the total secured business.

Ankush Agrawal: Can you give the Core online business disbursal for the quarter?

Management: It's ₹2,866 Cr for the quarter.

Ankush Agrawal: Okay. Got it. That was helpful. Thank you.

Management: Thank you, Ankush. We'll take the next question from Shreya, CLSA. Shreya, please unmute yourself.

Shreya Shivani: Hello! Can you hear me?

Management: Yes

Shreya Shivani: Hello, thank you for the opportunity and congratulations on a good set of numbers. Keeping the quarter aside, I wanted to understand your outlook for the coming year in terms of growth across the major segments. I will not go into the lending business, but the Health insurance segment. So, what we are hearing from the underwriters is a fresh round of price hikes are going on in the industry right now and that segment already has challenges in terms of affordability. Now I understand you have a major market share in the fresh business that you get over there. But the theme of the year that is coming through is, first, the fresh rounds of price hike; second rising pressure from the regulator on the underwriters to keep their expenses under control. FY26 is the year where they all have to comply with the EOM guidelines. So how do we look at our business going ahead, given that the underwriters would be going through a sea of changes in the year ahead, on the Health?

Management: I will pass this over to Sarbvir, because he will have a much better answer. I just wanted to leave you with one thing which I'm sure you all know. I'm not talking about Policybazaar business, I'm talking about the industry. On new business, claims ratio is 25% and on renewal business as an industry, the claims ratio is 75%. This has nothing to do with Policybazaar. This is the reality. Policybazaar might be better on both. Let's leave that out of the equation. So, everybody wants new business. I will leave it there. I'll pass it on to Sarbvir.

Management: I don't think anybody is anticipating that they don't want to grow in new business. I think that's the key point. That fresh business is the solution. So, if you think about it from an industry perspective also, the only solution is to grow your fresh book faster than your renewal book and manage that. So, I think anyone who can bring fresh business will always have higher value. And I think that's what we are doing right. We are bringing fresh new lives into the industry. We are bringing them at a reasonable sort of loss ratio. We are a positive channel in terms of quality and disclosures. So, I think our proposition is in fact much more valuable in a year, where you have stress on your book, and you have various other things going. So, I don't necessarily anticipate that to be a major challenge for us. I would only say that you are right - Affordability is the key issue to work upon, and I think this year we found a lever in terms of going much more into monthly mode policies and things like that.

Management: Now, as we go through that next year, we'll have to find newer and newer ideas. But if you can get fresh business, I don't think you will have a huge challenge next. And last thing I would mention is

if you go through the notes of all our calls and our conversations with each one of you, what's happening is exactly what we've laid out over the last 3 years. So, all I'm saying is, there is 0 surprise for us. I don't know where the surprise is. I'm just talking about my own communication with all of you. It's always been exactly on the lines of what's going on right now.

Shreya Shivani: Got it. I understand the part of your ability to bring new lives into the industry, etc. Do you see any advantage in the past 3 months or past month? Have you seen any advantage of other distributors in the industry slowing down, or particularly in the last 3 months? There was a lot of news around other distributors, having some sort of pressure. So, in those terms, where would you see sense anything on ground or was it just the great momentum that has been?

Management: Shreya, honestly, I appreciate the question. But we genuinely don't even have time to think about any of the others. As far as Health insurance is concerned, in terms of distribution, we are kind of in our own race. Honestly, I remember first few days in IIT, when I had joined. There was a run going on, and I think in the 800m race, I was about 100m ahead of everybody else. Then it became just my race. There was nobody else to compete with. So honestly, this is just us, that's it. From a distribution standpoint, I don't know what else is going on. and I don't know who we can focus on.

Shreya Shivani: Got it. Thank you so much. This was useful, and all the best.

Management: Thank you, Shreya. We'll take the next question from Sachin Salgaonkar, BofA. Sachin, please unmute yourself.

Sachin Salgaonkar: Congratulations to management on good set of numbers. My first question is on your Core growth. Clearly, every year we have a new base, and you guys continue to positively surprise on the overall growth. So, on this high base, should we continue to see 30%+ growth for next couple of years or do you see downside risk to this growth?

Management: New growth is the only thing nobody can predict, and I have always maintained that for the last 5-6 years. We think we can grow at 30%. It's a hard problem. It is not an easy problem, but if it's less than 30% we'll be very unhappy also. It is all I can say, but it's impossible to tell what your growth over the next 5 years is going to be, but I think the way we are growing, I hope we can maintain. It's absolutely very hard to say anything. I think the main thing as we go forward is that we have to execute fearlessly, and we can't be worried too much about what happens in certain time periods. I think you have to think beyond where you are today, and we have to keep our eye on the future. I mean, you can't just say this profitability this month or this quarter. So, I think that is the main thing to avoid and if we can avoid that and focus on basic building blocks like affordability, product, disclosure, service claim support. I honestly think that there is no reason to believe that we cannot grow for many years. No, and I totally agree with Sarbvir, and I echo this. In fact, I specifically wrote a note out to management because sometimes communication gets misunderstood, because I do believe that this quarter our profit was slightly less than what I anticipated for various things. So, I specifically wrote the message, saying, please, that is not important at all. What is important is our growth and let's focus on that. And this ₹10-20 Cr up or down will keep happening. Just don't worry about it at all over the long term, it'll all even out. So, let's just focus on that. And let's focus on the building blocks. So even next year, if we had to err, we would err towards growth rather than err towards trying to get profitability by 5% lower growth. No, that is not what our objective is going to be.

Sachin Salgaonkar: Thank you, very clear. In one of your slides, you did mention that the future growth will be coming from tier-2 & tier-3 cities. So, question out here is, can you help us in terms of the contribution today for premium from tier-2 & tier-3 cities? Where do we see that going? And again, incrementally, should we see higher investments or a bit of pressure on margins as we go and target consumers into these places?

Management: I would say that today, about 2/3rd to 70% of our business comes from tier-2 & tier-3 cities. And I think this number will grow. That's the way I think growth in the country is happening. So, I have a feeling that we will definitely reflect that is it going to be more expensive or less expensive than where we are today? I'm not really sure, because our funnel works in a way that we do digital as well as television advertising which brings people into our website. And there, it's not really like we have to spend on hoardings in Bombay versus hoardings in a smaller city, or something like that. It's all national kind of work. I think it brings these people, and then yes, there will be a service element that we have to manage. In some cases, we have to be distributed more in terms of we are today, I think, serving in over 200 cities. We have sales capability. So maybe that will keep growing incrementally as we go along. You could argue some cost associated with it. But honestly, I feel that it's in reasonably good shape right now, because we do gain in productivity, we learn how to manage ourselves better in the existing areas. The new area may come in at a slightly lower profitability but then you also have existing areas which improve. I think Yashish mentioned the use of technology is very exciting. There's a lot of opportunity. I'm sure you all are hearing about all the Gen AI models and things like that but practically what it really means is that you can bring some productivity gains; you are able to translate what is the intent of the customer more clearly, and I think that will help. So yes, I don't know the answer to your question, but I feel it will be all good.

Sachin Salgaonkar: Got it, very clear. My third question is - Clearly, we are seeing a better growth coming from secured versus unsecured. Question to management is in medium term, how should we think about the growth coming from unsecured space? Is this something where the company is looking to defocus, or, how the stress in this part of the industry goes down, we should see growth again, picking from unsecured?

Management: As you may have heard from the various concalls that happened in the banking and the lending industry, that the industry consensus seems to be that the risk is speaking, and we should hopefully have bottomed out in terms of the growth in the last quarter. We are starting to see some positive signs already in our conversations with the partners. So firstly, hopefully the growth will come back. And again, if you look at the fundamental pieces on, banking industry liability is growing at about 12-14%. Those have to be deployed into assets, and within that secured assets give you a 1% or less than 1% ROA. Unsecured is one which gives you higher ROA so unsecured as an industry should get back from this base to about 15%+ growth, which the regulator also hopefully would be comfortable with and as that growth comes back, we, as a digital player would hope to grow faster than the industry. So unsecured will remain a focus area and we are working hard in terms of going deeper into the product and use of technology which we also alluded to in terms of improving our productivity, reach and efficiency. So unsecured will remain a focus area but secured will have its own growth path because it started recently. And we found a segment in PB Connect - a PB Partners equivalent, which, where we see a big opportunity, although at a lower margin, but a big scale opportunity absolutely.

Sachin Salgaonkar: Thank you Naveen. And my last question - Yashish, your last guidance in the company was 2+ years back. Today we are pretty comfortable in terms of PB Fintech, raising more that ₹1,000 Cr+ in terms of net income for FY27. Given the fact that even your new initiatives margins are improving, your core business margins continue to improve, any thoughts in terms of coming up with a new guidance, or revising that guidance as we head forward?

Management: We don't like to give guidance very often and usually we are long term thinkers, and that guidance was on some fundamental blocks of the business. Those blocks are fairly unshakable. I think we will be able to hit those numbers and quite easily so, but I don't think we are giving any new guidance, and we don't give any guidance. We don't have any guidance for next year or for the year 2028, or anything of that sort. We just gave a guidance for 2027 once. And I don't think we're changing guidance if we do better.

Sachin Salgaonkar: Got it. Thank you.

Management: Thank you, Sachin. We'll take the next question from Manas, Bernstein. Manas, please unmute yourself.

Manas Agrawal: Thanks Team. Trying to peel into unit economics a bit. I've never really liked the fact that your first-year business is actually not making money. In an industry, it typically makes money almost entirely in the 1st year. I understand the LTV, so wanted to understand what is the CAC trend and what really sits in the CAC - is it just digital marketing or is it something more? So that's the first piece. and as a follow-up.

Management: Yes. So, if you wanted me to answer the first piece that way or finish the follow up and then we can answer it all in one go.

Manas Agrawal: Sure. The follow up is related. So next year, sitting on this very strong new business growth, you should have very strong renewal business growth in terms of commissions, and therefore margin should flow through, if the economics is what it is?

Management: See, when I gave the ₹1,000 Cr guidance, there was a very simple principle behind it. It was a long, long time ago, right? But it was at that time when we used to make ₹1,000 Cr losses. That was a time when that guidance was given. And why was the guidance given- It was based on one simple premise, nothing else. It was based on renewals doubling every 2 years. And that's why I emphasize on one number renewal ARR out of the ₹665 Cr 2 years ago. That's the reason I mentioned 2 years ago is ₹287 Cr. So, we are more than doubling. And this will happen once more within the next 2 years. Right. It's currently growing at 46%. Whether you grow at 40% or 45%, you'll be in that ballpark. And that is your guarantor of profitability. Now coming to your question. The first question - See, ours is a very simple business. Life insurance - You make the bulk of the revenue in the 1st year; Motor insurance you make about 2/3rd of your lifetime value in the 1st year; or something like that. In Health, fortunately or unfortunately, whichever way you want to think about it, we think it's fortunate, you make only 20% of your revenue of your NPV in the 1st year. Health is a product where the premiums keep going up; commissions are flat, and in the 1st year nobody makes money by selling Health within one year. Thus, our CAC is about 22-23% of LTV. So, it's a very high margin business for us. But the point is, our revenue in the first year is only 20% odd of NPV or thereabouts, thus, in the 1st year we make a loss. It's a beautiful product; it's a product where we have our book for the last 17 years. And around IPO, we put out some of those numbers, and we can always start putting all those. All those renewals are holding up and the renewals are higher than they've ever been before. Because of the growth we've had in the last 18 months on Health, that should reflect into higher renewals and you're seeing that. If you look back, our renewal rate was slightly lower in the beginning of the year than in the latter part of the year. But again, if you look back, we had guided towards that. Because see, the only thing I will ever guide you on is renewals, because that is fairly certain. Like we know what our renewals next quarter and next year are going to be; the other pieces, we don't know. We don't know where fresh growth is, and so fresh growth, we always shy from guidance. We just say our target is 30%. We don't know; it's not a guidance. And all our businesses at an LTV level, operate at about 2.7x. So, what that means is our cost; our acquisition cost; our customer service cost is less than 40% of our lifetime value calculated with an IRR of 15%. And it goes through lots of checks and balances. It is not that business just puts it, and we take it. It is based on a lot of scrutiny and a lot of data over the last 17 years. But that's our current number. We're at about 2.7x. We would love to be at 3, but that's not as important as growth. Because if you're at 2.7x, you do want to grow.

Manas Agrawal: Thanks for the detailed answer. Would love to have more disclosures around this from the DRHP time. But that's it. Thank you.

Management: Sure. Thank you, Manas. We'll take the next question from Dipanjan, Citi. Dipanjan, please unmute yourself.

Dipanjan Ghosh: Hope I'm audible.

Management: Yes.

Dipanjan Ghosh: Yes. Hi, so just a few questions. One, I missed the POSP premium data when you mentioned it. If you can spell that, and the PB Corporate premium data. Second, you mentioned in a presentation that the revenues from the lending business to the partner channel was around ₹7 Cr in the Q2. Could you give the similar number for Q3? And third again, if I just look at your overall disbursals to existing customers in Paisa, the ratio to existing customers seems to have dropped. So, are you getting new customers because of your relative change in mix towards more of secured business and how do you see this trajectory going ahead?

Management: Paisa, I'll leave for Naveen. From numbers perspective, POSP is ₹1,326 Cr the premium of the quarter. Corporate is about ₹390 Cr

Dipanjan Ghosh: Got it.

Dipanjan Ghosh: On the Advisor revenue for the Paisabazaar business.

Management: Okay. Your question was PB Connect Q2 Revenue was ₹7 Cr and Q3, that number would ₹24 Cr. Right, and your second question was around the customer growth.

Dipanjan Ghosh: Sorry just to follow, this would be included under the new initiatives - Contribution, profitability from this quarter onwards, is my understanding correct?

Management: This is not profits, this is revenue. It is as of now, a loss-making business. It makes a loss of about ₹4 Cr, a quarter.

Dipanjan Ghosh: So, if I understand correctly, ex of this, I mean, if you were comparing apples to apples, the new initiatives might have been, maybe of whatever 3%, maybe 4% or 5% contribution margin during the quarter. If you are doing it on a historical accounting basis.

Management: It's very small right now. ₹24 Cr is very small in the overall scheme of things, as far as new initiatives is concerned. But yes, you may be right. A couple of points here and there.

Dipanjan Ghosh: Got it.

Management: And on the existing customer disbursals, I mean, that seems to have dropped. Our new customers coming into the ecosystem because of this product mix.

I will explain to you in a very fundamental way and leave Naveen to answer. Consumer demand is not down; supply is down.

So, it is not that we are seeing less consumers. It is just the loans available to people are far fewer, and we continue to acquire new customers. Customers typically experience credit score as a first product. So, there we continue to acquire about 5.5 lacs new customers every month. That's not down. Secured is not very relevant from the number of consumers perspective because the ticket size is very high. It's a ₹40 L average ticket size, so that is not a consumer driver. It is a disbursal, and then, eventually a revenue driver, but not a number of consumers. Number of consumers is more credit score driven, which is now at about 49.5 mn, and then, of course, some of them unsecured. Some of them take credit cards, some of them take some of the other products. Secured is not a number of consumer drivers.

Dipanjan Ghosh: Just one small question if I can squeeze in. Your yields on the insurance business seems to have gone up. So, is this more of a function of mix change, or if you can give some color on that?

Management: It's nothing very dramatic, is what I would say. I think it's fairly within.

Dipanjan Ghosh: Got it. Thank you, and all the best.

Management: And obviously fresh business might have slightly higher yield than renewal business that may have some impact. It's almost flat by the way.

Dipanjan Ghosh: Right. Thank you.

Management: Thank you, Dipanjan. We'll take the next question from Neeraj, UBS. Neeraj, please unmute yourself.

Neeraj Toshniwal: Hi team. So, I just saw in one slide that we have entered into FLDG arrangement with one of the partners. Can we elaborate more on that?

Management: Yes, so Naveen will answer this. But I will just give you a very quick detail as board authorized it. One partner because of lack of supply in the market. We went in for this the way we are reporting our revenue, we are assuming that the FLDG; whatever we have promised in the FLDG. We've lost it at the at the beginning itself. That's the assumption. So, if we don't lose anything, it'll come back. I don't think I should give out the exact number. I think Naveen just stopped me from saying that. But yes, we've 100% provisioned on day one.

Neeraj Toshniwal: To restrict it, only secured business, or even unsecured?

Management: No, it's unsecured. You don't need FLDG for secured.

Yes, it's with one partner. The rationale was to try and work with them and see how the profitability plays out over a 36-38 month, which is a typical tenure of a personal loan. This allowed us to expand the segment which was our objective. We've taken a much lower FLDG than the allowed threshold by the regulator, and, like Yashish mentioned, we are provisioning that fully. As we kind of do the business, we've already seen. So, this was the end of December, we've already seen the expansion of the segment happen in January because of that category.

Management: From a revenue reporting perspective, please appreciate it, there is no further risk. It is not like anything else is coming, whatever we have provide put, we have already written it off and if it comes back is only positive, and it is helping us expand the category. We may or may not do more of it. We'll see there'll be two filters that we will use to consider any other proposal. One would be that either it helps us expand the segment and expand the number of consumers we can go to and test it out along with the partner. The second would be to expand the margin. So, if it's fitting one of those two objectives, then we would consider it and take it through the process of board, approval, etc, before we go live.

Neeraj Toshniwal: And is the unit economics higher than the normal unit economics in this category.

Management: Unit economics are very similar. Like, I said this particular deal. The objective was to expand the segment. So, by expansion or we've seen the higher disbursal growth. But unit economics is similar to what it would have been without the FLDG.

Just wanted to clarify net of FLDG, your economics is similar. But I think , it's a specific deal. I don't think we should comment too much on that particular deal in terms of its profitability, loss to us, etcetera.

Neeraj Toshniwal: Sure, and in terms of Pb Connect which we are now entering. POSP model into Paisabazaar. How is the unit economics? And can it be scalable significantly from here? Again, it will be like similar to insurance POSP model, where , the margins will be low for a very long period of time.

Management: Yes. So almost all the points that you mentioned in your comment. It's very, very scalable. The opportunity is very high. We've seen it over the last few years, and PB Partners has kind of shown the path there that in secured especially home loans and LAP, there is a lot of business that's out there which requires physical processes and fulfilment. And it's very, very distributed. And spread across multiple partners. So, we're trying to build a platform to bring all of them together. As we build the scale, it will continue to be low margin. Currently, it's at negative margin, small negative margin like Yashish mentioned, and the objective would be again as we scale it up and bring more efficiencies and bring more smaller distributors the margin should continue to improve, and at some point, like PB Partners, has reached. Now it gets into the positive contribution zone.

Neeraj Toshniwal: Sure.

Management: Yes and secured is quite cyclical. So, we're building this strategically. So that cyclicality goes down. That's one of the primary reasons why we're building this. And of course, it also includes an influence with partners, because suddenly we do large volumes with them. As you can see, it is already 1.4 times the unsecured business in terms of overall disbursal. And it's going to grow quite rapidly. So that's the other part like POSP build our relationships. This should also build our relationships with partners.

Neeraj Toshniwal: Got it, and last question, if I may squeeze in is on the cost rationalization we talked about in the last call that we might free up some of you know, on the capacity on Paisabazaar given slower growth so wanted an update on that.

Management: Some of it has happened. But , when you do that, it doesn't reflect immediately, because there are, , processes, etc. You'll see some effect of it now onwards, like from December onwards started coming, and a lot more impact will come from April onwards. That's not really doing anything else. It's just we've got empty offices right now. So those empty offices we've given notices to leave those offices. But you can't

	just leave them right. Your accounting still takes the costs, whether they're empty or fulfilled.
Neeraj Toshniwal:	So how much savings, if we can quantify, we will be able to add,
Management:	We once we do the exercise, we'll update you. And maybe Rasleen can update on that. We haven't quite done the exact exercise but just to put in perspective. May may sound a bit odd, And that's a lot of seats. So, if you do a per seat analysis a seat typically costs about 8-10k per month. I'd leave it there. But.
Neeraj Toshniwal:	Got it. This is helpful. Thank you. Yashish.
Management:	Thank you, Neeraj. We'll take the next question from Nischint Chawathe, Kotak. Please unmute yourself.
Nischint Chawathe:	Hi, 3Q was a weak quarter for life, , as you mentioned. And I think you've capacitated for more. But volumes were a little weaker. Just curious. How are you looking at 4th quarter? Have you sort of made similar investments. And any feelers that you have from insurance companies.
Management:	First of all, maybe I've given the wrong impression here. Our life business grew at more than 40%. Just putting that out there, so I should not give the wrong impression that it's been a weak quarter or anything of that sort. The only thing is in savings, we had got used to 100% growth YoY. Our health and term businesses have grown exactly as expected, and that is a reflection of the market that the savings business has been, but it's still decent growth over last year. Even if I look at current, I don't see any challenge in , giving what our usual projections are, as growth. Only for the savings business, and of course, health in terms should outdo that. No point giving any specific guidance here. But that's how I see it. I think, savings, we're okay. If the if you are selling unit link products, and if the market is soft there will be some impact. I think that's what we are seeing.
Nischint Chawathe:	Just moving on to the non-life part. The regulator has asked the insurance players to move to 1/n formula. Obviously, you're not part of it. So, your premium numbers continue to be the way you've been doing it in the past. But have they changed the commission structures? Have they deferred the commissions for long term policies.

Management: I think we would prefer not to discuss commissions. Obviously, we are part of the industry. We follow all the rules and regulations as per the industry. And we continue to do that. See Policybazaar is not a commission-hungry platform. I think we are more focused on number of customers, good & better-quality products, more affordable pricing, better service. So, I think, yes, it's not really clashing right now, with that approach. And the data proof. If you want data-based proof that, we are saying, we're not commission hungry. But actually, we must be commission hungry. That's how everybody is supposed to be. Just look at the data from the day of the IPO till today. Our premium is about 6 times higher but our commissions are exactly the same. Obviously a 6 times larger player with larger market share should have been able to attract higher commissions. If , if they wanted to muscle into it, or something of that sort. That's not our intent here. That's never been our intent. We are exactly where we were. We are getting the same commission today as we were getting when we were 6 times lower, and even when we were 30 times lower, we're getting the same commission.

Nischint Chawathe: Sure, got it. Thank you very much, and all the best.

Management: See, read us very clearly. We are growth-of-premium-hungry. We are not growth of commission hungry. I know that at some level from a financial perspective, that sounds very stupid. But I think at another level, it's very smart. We really want to be large in our impact. That's all.

Nischint Chawathe: Got it. Thank you.

Management: Thank you, Nischint. We'll take the next question from Sanketh Godha, Avendus. Sanketh, please unmute yourself.

Sanketh Godha: Thank you. Thank you for the opportunity. Probably the question is on similar lines. So out of the total health, what we do, what portion is long term. Say, 3-year indemnity health you sell. And just if you were getting upfront. Whether you were recognizing commission on deferred basis, or on accounting basis you were recognizing on deferred basis, or you are recognizing on cash basis. So that that's the only thing I wanted to check.

Management: So, I'll give you a very simple answer to this. We have renewals, and we have fresh. Overall when you look at it. It all evens out because if you are doing 3 year business, then your renewals from the last 2 years will not come up as renewals. So eventually, when you look at it, it's not a big impact to anyone, at least as far as we are concerned. I'd leave it there for now. We don't want to go to very specifics of how much is 3 year, how much is 2 year, etc. What I can say is our 3 year, and this is important. Our 3 year in the last 18 months has been lower than our 3 years in the previous 18 months. And this is important. So that you know that our number of transactions actually growing. It's not like we're growing because we've had some 3 year story, or something of that sort.

Sanketh Godha: Got it. And just on the contribution margin on the core business. Last year, if you see, on an average, you reported around 44 45% contribution margin on the core business. But now that number every quarter in in the current year at least seems to be dipping today, it is at 40 or 41 odd percentage. So just wanted to understand, is it largely because of Paisa or is it largely because health has done very well? So just wanted to understand. How do you see.

Management: You are absolutely right. Health has done very well. Health takes away about 3 to 4 percentage points. Let me explain to you in a very simple terms. When a business continues to grow for 18 months, 2 years it scales up compared to the other businesses. So if you take everything ex health, it is growing downwards of, . Maybe it's growing at 35, 40%. Right? And health has been growing at 55, 60, 65%. So let's say, it's growing at about 25% more than the rest of the business. Essentially, on that, you're making 0 compared to 45% that you were making on the overall piece earlier, right? And that affects you. Of course, your renewal piece is also coming in. That helps you, plus.

We have explained to you that on the we put a little extra effort in trying to get sales on the savings side. And we anticipated a hundred percent growth. Maybe we got a 40% 50% growth, it wasn't 100, that was all. And I think if you think about it over the multiple years Policybazaar has been in that 42-44-45% range and these changes are very minor compared to so all. All I'm saying, is. Yes, you might want to worry about them. That's your choice. If you want to hear me say it - don't get fussed by this too much. It is largely some new health happening, some little investment here and there. Whenever we want to, which is going to be at any point, we can always take this a few percentage points up very quickly. And that's just a question of when do you get into a into a slightly lesser growth mode. It's not anytime now.

Sanketh Godha: Got it, and lastly, given you have a very strong health growth in the current year we as it flows to the next year in in the.

Management: The market is growing at 10-12%, we are growing at like a multiple of the market growth. It's not like we are the only ones trying. Everybody is trying. So, I think Sarbvir is spot on. I don't think we can focus on, this quarter, you had this profit or last quarter. That has to be seen over multiple years, and I'd say, draw your attention - there's a very interesting slide that Rasleen puts out right, which has a 4 quarter rolling average. Actually, if you look at that 4 quarter average which has gone through various cycles, right of different businesses going at different rates. You can see the very steady progression that we've been able to maintain for the last 3 years, and I think that is perhaps the right thing to focus on. You know, because one quarter here and there is very hard to explain also, actually, sometimes.

Sanketh Godha: Okay, got it. And lastly, one small thing, my back of the envelope calculation suggests that probably if a retail health in insurance industry size is around ₹10,000 C,r you, you are probably at 23 to 25% market share on new what industry is generating. If you're already at 25-26% market share, there is a meaningful, more scope to gain market share or incrementally, the growth might be not be 3 x of the industry, maybe a little lower than the industry average.

Management: Yes, I don't think it's a market share problem anymore. I don't want to get into what our exact market share is, and whether what you're saying is correct or not correct. But I'm saying it's not a market share problem anymore. I think all of us need the industry to grow. And for all of us, for the industry to grow, certain things need to fall in place. And we are part of the solution. We will be a larger and larger part of the solution, because we want to be. And I think we are being welcomed by the industry for that reason. As a seller, as a solution provider as a bearer of new business, I think from many perspectives we are coming at it. But the whole idea is to have a steady industry which grows a lot. I think the industry is currently facing a challenge right that the growth is being restricted by the trust in the industry you're seeing, , parliamentary conversations, this, that, and the other. There is a belief that, , claims is a hard process, and I again don't want to get into. I think that problem does need solutions. And as I said, we are part of the solution. So, we allow growth to happen because we allow claims to be settled better. And I think that is the biggest part of our proposition.

Sanketh Godha: Got it. Thanks. Thanks for the answers.

Management: But a simple, a simple way to think about. It is only 4 Cr people in India today have health insurance, all said and done whether you even come to the middle class. The middle class alone is perhaps 20-30 Cr. So you have a lot of people who don't have health insurance yet. And I'm talking about lives. I'm not talking at number of policies. I'm on the retail side, and I'm not really talking about 140 Cr Indians. Right? I'm just talking about the whatever 30, 30, 40 Cr middle class.

Sanketh Godha: Yes. Got it? Thanks. Thanks for the answer.

Management: Thank you, Sanketh. We'll take the next question from Srinath, Bellwether. Please unmute yourself.

Srinath V: Hi, guys, I just wanted to understand, how are the performance marketing costs trending. My assumption is that, our growth in health and term has largely been driven by conversions , may not be that much of upper funnel growth.

Srinath V: So would the performance marketing cost, , as a percentage of revenue or premiums. Have they seen a significant reduction given that, , health insurance has seen significant growth over the last 2 years

Srinath V: Question on this would be, I would like to understand how persistency in health insurance renewals is playing out in the context that in the base last year, already health insurance growth had taken off. So just wanted to get a feel if how persistency is broadly trending. Yes, these are my 2 questions on Policybazaar.

Management: I'll just answer the 1st part. Whenever we have to advertise on Google or any performance, marketing or anything else, we are another commodity player with a brand. So we are slightly more efficient than anybody else. We're probably 2 times more efficient than anybody else, because it's a recognized brand. But our primary way of growing is brand, which is that people come to us without us having to spend on performance marketing, and that is the bulk of our business, and specifically on health and term, that is the large part of our business. I also just want to explain to you on performance marketing that you have to understand it's an auction platform, right? Google is at the end of day, an auction platform, and while we are obviously going to be a more efficient player than anyone else, given our brand, given our experience in conversion, having multitude of choices, it is our job to keep pressing the pedal. We would not like to leave room on that side for anyone to find efficiency right? So you should expect that whatever we can do to get the lead, we will do. Because, as Yashish explained, our majority of our business is coming from our direct side, so that 20% business or so that we're getting from performance, I would never want to leave anything on the table, because that is essentially leaving oxygen for someone else. So that we will never do. As far as renewal rates are concerned, very happy to tell you that in December, and we look at it on a number of policies basis, because I think that's the most important number both our 1st year renewal and our second year renewal onwards are at the highest rates that we've ever had. And again, this is because obviously, our team has done a phenomenal job. The products that we have introduced with our insurance partners over the last few years, , we've been talking about the modular products. They have this feature that the no claim bonus increases rapidly every year, and that, as you can imagine, acts as sort of a barrier to leaving that product, and hence we have seen, , our renewal rates, and I think we have room to grow in terms of improving our renewal rate persistency. All the work that we do on the service side should finally translate to higher and higher renewal rates. I think that's a fairly straightforward equation.

Srinath V: Fantastic congratulations on that. On Paisa. Just one question. There's this number in our presentation monthly inquiries that number has actually seen a significant growth. Wanted to clarify or understand what drives that particular metric. Monthly Inquiries.

Management: I think that should be a typo. Apologies for that. That should be quarterly inquiries. It should not be monthly.

Srinath V: Okay. Thank you. Congratulations on a good set of numbers, guys. Thanks.

Management: Thank you, Srinath. We'll take the next question from Nidesh Jain, Investec. Nidesh, please unmute yourself.

Nidhesh Jain: Thanks for the opportunity. The 2 questions. Firstly, if you can share contribution margin and EBITDA margin for credit business for the core credit business.

Management: It's in line with the overall core business so roughly in the forties, and the overall EBITDA margin is 9%.

Nidhesh Jain: On the on the credit side, core credit side.

Management: EBITDA margin is 9% and contribution is 45%. So it's actually more efficient than Policybazaar, because there's also a factor of the NPV of Policybazaar.

Nidhesh Jain: Secondly, what would be your market share on new health side?

Management: We don't discuss that.

Nidhesh Jain: Sure, and lastly, just a comment that if you, if you can share the renewal rates the way you have shared in DRHP

Management: I'll explain to you. We're not cagey about this. Our mindset has shifted. Our mindset has shifted from Policybazaar should be big towards the industry should be big. We know that if the industry is big, then we will also be big. So would our partners be big. I think that works for everybody. That's really how we are thinking about it. And I think for that, fundamental problems need to be solved. We have deep problems. It's not an easy problem to solve for any nation as far as healthcare is concerned. Andwe hope we're going to be part of the solution.

We'll look into it. We'll probably try and share it in the future.

Nidhesh Jain: Sure. Sure. Thank you. That's it for my side.

Management: Thank you. We'll take the next question from Madhukar Ladha, Nuvama. Please unmute yourself.

Madhukar Ladha: Hi! Good evening. Congratulations on a good set of numbers. Your contribution margin has been lower. But if I look at your adjusted EBITDA margin for the existing business that has improved so there has been a pretty good control over cost. The indirect cost.

Management: Don't say that. You're making my life harder.

Madhukar Ladha: But and this is despite you telling us that you mentioned 1,200 to 1,500 vacant seats. So , I wanted to understand what is really driving this and

, when do we see either we eliminating some of these seats, or we filling up these seats for.

Management: Don't take it too seriously. We've already given the notice to the real estate Guy, that we are getting rid of those seats. So the offices will get emptied by April. Notices are playing out. And , financing costs coming down hopefully. Don't take them too seriously. Yes, it'll have some impact, and you'll see it by April. We did over plan a bit, and the requirement was much lower. Finally, so that's what I would say, and no our OFC (other fixed costs) are not low. Please don't get that wrong. Our revenue has increased by the percentage OFC will look low. Of course, if your revenue is going 45%. Thank God, our OFC is not growing at 45% there. But I just want to explain to you that our marketing, actually, our television in Q3 was higher, significantly higher than last year, because we were on air all 3 months, many times in Diwali we don't. That month we reduce our spend significantly, but this time we were on air 3 months, so I would say that , whatever be Yashish's view on the cost. But as far as the numbers reflect, the fact is that this quarter, we were able to leverage our fixed cost quite effectively.

Madhukar Ladha: Yes, because, , when I look at when I back out the fixed costs or indirect cost between, , contribution and adjusted EBITDA margin for 6 months, there's a growth of about 12.5%. But for 9 months there's actually a decline, on a year over year basis. Is this sustainable? Because then , that could lead to a higher margin expansion. Q4. And beyond. So how should we think about this, and what is driving this.

Management: Yes, I would look at it more on a long-term basis. Yes, we try to maintain, as we've always mentioned, that we would like to keep our fixed cost growing, , significantly slower than our revenue. And again, I would say, 3 months is not the right way to look at it. But yes, over a period of time that should happen, and we'll see how it goes.

Madhukar Ladha: Got it. And also coming back to this, whole thing by the regulator of , accounting for long term policies on 1/n basis, are we changing our strategy in in any way?

Management: We are not so small there like, honestly, we're not. We're not so small that we would change our strategy basis, some commission payout or something of that sort. No, not at all. We want to be big in health. We will continue to be big in health. We will continue to do 3 year plans, 2 year plans, one year plan everything. In fact, if I was to say from a competitive perspective, it is a huge advantage to Policybazaar, right? Because as a player, we are very keen to go down that direction of investing in our growth. Not everybody can invest in growth.

Madhukar Ladha: And as an insurance broker, I would tend to believe that it's always better for you to sell a 3 year plan over a 1 year plan right? Because it guarantees you persistency upfront or reduces lapse rats.

Management: When you look at a 10-year view and because we have the data thankfully of the last 10 years, the numbers, it basically becomes Even Stevens. There are lots of factors. And, it's a more detailed conversation. There are lots and lots of factors that go into this this decision. But over a 10 year period of the same story, whether you sell one Year Plan or 10 Year Plan becomes the same thing. A 3-Year Plan will have one decision point at the end of 3 years, which will have a higher drop than, a continuous drop that there'll be. There'll be lots of complexity. It's a long conversation.

Madhukar Ladha: Okay, got it. And can you just give me your renewal premium for the platform business and for the new initiative separately.

Management: Our core business on renewals is about about ₹2,050 Cr.

Management: That's our renewal premium. ₹2,042 Cr. That's only core.

Management: And all the new businesses put together about ₹500 Cr more.

Management: Which means we had an ARR of about 24,000 Cr about half is fresh. A little more than half is fresh. About 50, 57% is fresh. 43% is renewals, which is a great place to be. If your new business is more than your renewals, because that means you're really growing fast.

Madhukar Ladha: Understood. Thank you, all the best.

Management: Thank you, Madhukar. We'll take the last question from Rina Mehta, Trident Capital. Reena, please unmute yourself.

Rina Mehta: Congratulations for the good set of numbers and thank you for providing this opportunity. So, I have basically 3 questions, what is your market share in the incremental life business within the industry; another is like, how big is your saving business for you now in terms of premium. And the 3rd is, what is your agent productivity like? If you break down your growth between your agent, product, agent, growth and productivity growth.

Management: We don't discuss market share, as you would have heard on the call. I think it's not a necessarily a very relevant metric. Obviously, our term market share is more than our I would say, savings market share. We are obviously a big source of term business for the industry. So, I think that will be a disproportionately high share for us as compared to the overall industry, and I think the last point you asked was about agent productivity. And thing I would say, this varies by quarter because we build scale for the season. So, what happens is that the 1st 2 quarters typically, we build agents size and numbers and etc, etc. And then we try to convert. Obviously, the back half of the year. We tend to do better in terms of productivity. So, I would say in Q3, it was similar that yes, productivity was not as good as we would have hoped to be. Because, like you said, we had just set very ambitious growth targets but other than that, I would say largely it would be 50 50 in Q3 and in Q4. I think it will be higher on the productivity side than on the growth side, because we will not add capacity in Q4.

Rina Mehta: Okay. So, then it is better to assume like, if you expect to grow 30, then you will be adding 30% more agents or employees will bring business for you, or there will be the existing agent who will be more productive and can bring 30% more business.

Management: I think it's a mixture of both. It's not an exact science in that sense, because what also happens - it depends. If you're opening a new center, it's a different geography versus existing geography. So overall we look at, we assume a certain productivity growth of existing people. And then we do our capacity planning and typically we are not aiming for 30% growth. We are aiming for much higher growth. So, there is an element of always having to add capacity as we go along.

Rina Mehta: Okay? And if you can say that, how big is the saving business in terms of percentage of total premium right now.

Management: We don't discuss that.

Rina Mehta: Okay. Okay, sure. No problem. Thank you.

Management: Thank you. Thank you very much. Everyone. I really appreciate your patience. Listening in until quite late. And once again apologies for the late start.

Take care. Have a good evening.